

## Reducing Household Expenses Between Jobs

### Don't panic: Remember to Breathe!

- After you deal with the shock, anger, denial, and acceptance take inventory of your budget.
- File for your unemployment benefits ASAP. Even if you have a severance it is your right.
- If you do not have a monthly family budget make one immediately.
- Split your family budget into three columns.
  1. Essentials: Health insurance, medicine, utilities, food personal insurances.
  2. Non essentials: Restaurants, movies, cable tv, exotic coffee, tobacco, alcohol etc.
  3. Do without: Anything you can absolutely live without. (Different for each household)
  4. Clipping food coupons and planning meals from them can save significant weekly dollars.

### Formal Company Benefits.

- Health/Dental/Vision: Change to COBRA or individual plans. Focus on coverage's and cost.
- 401k: Decision to remain or reposition. Is market up or down? Can make decisions later.
- Company Retirement: Same as decision above plus are you 55 or older? You have options.
- Life Insurance: Drop or convert to individual plan. Depends on your health and age.
- Disability: Is it portable? Convert it if you have someone in your family that is drawing benefits.

### Personal Insurances and Investments.

- Auto: Evaluate age of vehicle & deductible limits. Raise or delete to save significant cost. Shop around for more cost effective carriers. Amazing differences in price.
- Home: Check with multiple carriers as costs change yearly. Raise deductible as home policies are very sensitive to pricing the past few years.
- Life Insurance: Continue, drop, and borrow cash value if needed for budget essentials.
- IRA's: For retirement. Severe tax penalties if you withdraw funds. Loan provision?
- Mutual Funds: Are they accessible and liquid?
- Stocks: Capital gains or losses taxes? Is the market up or down?
- Annuities: For retirement. Severe tax penalties if you withdraw funds. Loan provision?
- Savings Accounts: Liquid and accessible.
- Checking Accounts: Liquid and accessible.

**Note: Check on your home mortg. and ask your lender to assist with payment flexibility.**